REMARKS

Applicants reply to the Final Office Action dated April 5, 2007 within two-months. Thus, Applicants request an Advisory Action, if necessary. Claims 18-25 and 35-37 were pending in the application and the Examiner rejects claims 18-25 and 35-37. Applicants cancel claims 21, 22, and 36 without prejudice to filing one or more claims disclosing the subject matter of claims 21, 22, and 36. Support for the amendments to the claims may be found in the originally-filed specification, claims, and figures. No new matter has been introduced by these amendments. Reconsideration of this application is respectfully requested.

Rejections Under 35 U.S.C. § 112, ¶ 1

Claims 18-25 and 35-37 stand rejected under 35 U.S.C. § 112, first paragraph, as failing to comply with the enablement requirement. Specifically, the Examiner asserts that the Applicants' specification is silent regarding the step of "interrogating said client computer for the presence of an authentication device." Applicants respectfully disagree. However to expedite prosecution, and in response to the Examiners recommendations, Applicants amend independent claims 18, 23, and 25 to more precisely disclose the features as represented in the specification. Applicants thank the Examiner for providing specific recommendations to make the claims allowable over the cited references.

Applicants assert that remaining claims 19, 20, 24, 25, and 37, which depend from independent claims 18, 23, and 35, are allowable for at least the same reasons as set forth above regarding independent claims 18, 23, and 35, as well as in view of their own respective features.

Rejections Under 35 U.S.C. § 103

Claims 18-25 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Payne et al., U.S. Patent No. 5,715,314 ("Payne") in view of Purpura, U.S. Patent No. 6,421,768 ("Purpura") and in further view of Gifford, U.S. Patent No. 5,724,424 ("Gifford"). Applicants traverse this rejection.

Payne discloses a system for facilitating purchases and payment transactions over a network. The Payne system includes a buyer computer, a merchant computer and a payment computer interconnected over a network. Payne further discloses a buyer selecting a product to purchase, wherein the selected product has a corresponding payment URL. The payment

URL further comprises a domain identifier, payment amount, merchant computer identifier, merchant account, various timestamps, buyer network address and a payment URL authenticator. Payne discloses that the payment URL authenticator is a hash being a defined key shared between the merchant and the operator of the payment computer. In other words, the hash itself is irrelevant to the purchase transaction details in that it only serves to authenticate the payment URL in order to ensure that the source of the payment URL is a legitimate merchant.

Purpura generally discloses a single sign on and authentication system and method. The Purpura system enables a user to log into a first computer system. When the user attempts to access a second secured computer, the second computer reads a cookie that was provided to the user's computer on authentication at the first computer. More specifically, when the first computer authenticates the user, it creates a cookie containing user characteristics and includes a digital voucher of the characteristics. The cookie is transmitted to the user's computer. When the user attempts to connect to a second secured computer, the second computer accesses the cookie and voucher. If the second computer "trusts" the authentication procedures of the first computer, then the user is granted access.

Gifford generally discloses a system for providing targeted online advertising to a user's computer in response to user inquiries. Moreover, the Gifford system enables a user to select an advertisement and submit a purchase request, wherein the request includes account information to facilitate payment for the purchase. If the request does not include information, then the merchant computer sends the buyer computer a request for account information. Specifically, the account information relates to a pre-authorized payment order that has been obtained from a network payment system. Thus, the merchant is not required to subject the user account to the typical account authorization processes.

Payne and Gifford each disclose systems and methods for performing online commerce in a secure environment, while Purpura relates to providing secure access to computing systems. The commerce systems of Payne and Gifford rely on the submission of account information, albeit in different manners. However, both references disclose presenting a buyer with payment options to enable the buyer to select a payment method that the buyer is able and/or willing to select. For example, a merchant may accept various payment methods, some being more secure than others. However, because the merchant is

unaware of what payment instruments the buyer has in his possession, it is unable to direct the buyer to use the more secure method. Moreover, those skilled in the art will appreciate that more secure methods of ensuring the validity of a user and an account are being developed and implemented, including smart cards and biometrics. More and more personal computers are being equipped with such devices. Thus, it will become increasingly desirable for merchants to encourage or require such devices to be used when facilitating online commerce. The systems of Payne, Gifford, and Purpura test the user (e.g., passwords, account numbers, expiration dates, authorization code, billing address), yet no test is directed to the user's computing device. As such, neither Payne, Purpura, Gifford, nor any combination thereof, disclose or suggest at least, "detecting, from a host computer, the presence of a smart card reader connected to a client computer. . . presenting to a user a payment option for using a smart card for payment" and "transmitting, to said client computer, a challenge string in response to said selection by said user, wherein said challenge string prompts said user to insert a smart card into said smart card reader, wherein said smart card stores a digital certificate," as similarly recited by independent claims 18 and 23.

Applicants assert that remaining dependent claims 19, 20, 24, and 25 depend from independent claims 18 and 23 and are differentiated from the cited references for at least the same reasons as set forth above, as well as in view of their own respective features.

Claims 35-37 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Payne in view of Gifford. Applicants traverse this rejection.
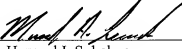
Applicants assert that neither Payne, Gifford, nor any combination thereof, disclose or suggest at least "receiving a payment option for using a smart card for payment in response to said merchant computer detecting a presence of a smart card reader connected to a client", "receiving a challenge string in response to said selection", and "receiving a prompt from said challenge string to insert said smart card into a smart card reader, wherein said smart card stores a digital certificate," as recited by independent claim 35. Moreover, claim 37 depends from independent claim 35, thus is differentiated from the cited references for at least the reasons described above, as well as in view of their own respective features.

In view of the above remarks and amendments, Applicants respectfully submit that all pending claims properly set forth that which Applicants regard as their invention and are allowable over the cited references. Accordingly, Applicants respectfully request allowance

of the pending claims. The Examiner is invited to telephone the undersigned at the Examiner's convenience, if that would help further prosecution of the subject Application. Applicants authorize and respectfully request that any fees due be charged to Deposit Account No. 19-2814.

Respectfully submitted,

Dated: _____June 5, 2007_____   By: _____ #57,413
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